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Automotive News

Detroit, August 31, 1981

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New-car sales surge ahead; rebates help

By Jenny L. King
Staff Writer

Domestic new-car sales purred in mid-August as customers returned to showrooms to take advantage of various pricing and financing programs and dealers and factories alike again were reminded: What a difference a rebate makes.

Chrysler Corp. and Ford Motor Co. both had customer rebate plans in effect Aug. 11-20, while General Motors dealers offered an attractive interest rate to new-car buyers. The three companies reported sizeable sales gains during the period.

Total domestic new-car sales numbered 204,678, up 19.86 percent from 170,765 a year ago. With nine selling days in the period, the daily rate averaged 22,742, up 19.86 percent from 18,974. It was the best rate since the 24,697 average in the last period in May.

Mid-August also was an improvement (up 32.42 percent) over the first period, when sales totaled 154,572.

Chrysler Corp. reported the biggest gain: Its sales jumped 42.93 percent, to 22,853 from 15,989 last year, and its Reliant K-car was among the five best-selling nameplates during the period. GM was up 19.75 percent, to 134,949 from 112,688. Ford Motor Co. sales of 37,034 were up 11.51 percent from 33,212 a year earlier.

Volkswagen of America dealers sold 4,842 new Rabbit sedans, down 14.69 percent from 5,676, while American Motors sold an estimated 5,000 units, up 56.25 percent from last year's 3,200 estimate.

• GM earned 65.93 percent of the mid-month domestic market, down slightly from 65.99 percent last year. Ford sales accounted for 18.09 percent, down from 19.45 percent. Chrysler picked up the slack and captured 11.17 percent, up from 9.36 per-

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Buick bows

Regal increases its presence

The Buick Regal lineup for 1982 includes coupes, sedans and the Regal Estate Wagon. New standard equipment features include body side moldings, whitewalls and color-coordinated seat belts. Base Regal engine is a 3.8-liter V-6. A new 4.3-liter V-6 diesel is offered for coupes and sedans. Story, other pictures on Page 37.

1982 auto bargaining may plow new ground

By Marjorie Sorge
Labor Editor

There may be a separate rulebook for each auto company when negotiations began with the UAW in 1982 as pattern bargaining goes out the window, according to a noted analyst.

Maryann N. Keller, vice president, Paine Webber Mitchell Hutchins, Inc., said company-specified contracts may be attempted in 1982 rather than industrywide settlements because of the varying financial states of the Big Three.

All of the domestic auto makers have suffered serious financial setbacks over the past two years and will be attempting to save money in 1982 bargaining. But, according to Keller, "no rollback on the present contract terms is possible . . . and the best the industry would hope to accomplish would be to hold hourly wage costs constant through the life of the next contract."

Cost cutting might appear in longer agreements, phased-in benefits, profit sharing in lieu of a portion of future wages or a reduction in holidays, Keller said.

In the past, the UAW has picked a target company to set the pattern for an agreement. If that company was struck it suffered competitively as the manufacturing processes ground to a halt, which often hastened the bargaining process.

However, in 1982, it is agreed by most analysts that the auto companies will not be back on track financially and their economic status will play an important role in negotiations.

According to Keller, Ford will be only marginally profitable in North America in 1982, while General Motors should be reporting decent earnings. Chrysler, still the underdog, will not be recovered enough for a catch-up contract after it got over $1 billion in concessions from the UAW in the last agreement.

Ford and the UAW seem to have a mutual understanding of each other's objectives and even

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Dealers cheered by tidy cleanup; shortages loom

By Jim Plegue
and Joseph Bohn

"This will probably be the best cleanup I've experienced."

"One of the nicer cleanups . . . going back to 1972."

"We're doing exceptionally well. We're moving a lot of stock."

Cashing in on one of the briskest cleanups in recent years, dealers contacted last week by AUTOMOTIVE NEWS were happy, if not downright elated, by the way '81 sales are winding up. Many expected to have a thin supply of '81s by the end of September.

Some even predicted shortages, if current rebates and interest subsidies are extended. And reports had General Motors, Ford and Chrysler extending their programs for about three weeks into September.

October and the '82 launch is another question altogether. How sales will fare after manufacturers go from rebates/price reductions to stiff new increases remains to be seen.

For the time being, though, dealers are enjoying the sales boom.

Generally, the product shortages dealers are already experiencing seem to be in larger cars, which some were overly timid in ordering.

Small-car stocks, particularly at Ford and Lincoln-Mercury, are in greatest quantity, though Escort is a notable exception. Ford authorized preselling on '82 Escort/Lynx to keep up with demand.

Some General Motors dealers, particularly Chevrolet, still have ample X-body stocks.

There's generally more discounting than normal going on, but it is offset by the higher volumes.

And some dealers are getting a good mix of highly resaleable used cars which in itself is a good sign.

• On the subject of grosses, Gary Tursi, new-car sales manager for Derio Oldsmobile, Caldwell, N. J., said, "The deals we're making are very competitive, and our average gross has dropped by about $70 (per car). Discounts are higher than average, ranging from $70 to $100 per car more . . ."

"Our individual grosses are slightly behind last year," added Henry Faulkner, Faulkner Olds, Philadelphia. "But increases (in sales) volume have taken up the slack. There's a lot more discounting. It's a much more highly competitive year than '81."

An exception to the general trend was Koons Ford, Falls Church, Va., where grosses are averaging about $750, up $200-$250 from the norm, according to John Fee, sales manager.

Dealers uniformly credit Detroit's programs with bringing customers in. The public doesn't seem to be aware yet of the '82 increases to come, and dealers aren't using the "buy to beat the increase" line in their ads yet.

At Koons Ford, customers are opting for the rebate, rather

Continued on Page 8, Col. 1

Support for changes is widespread

Clean Air hearings begin Sept. 14

By Helen Kahn
Washington Bureau Chief

WASHINGTON. — The UAW, the Japanese Automobile Manufacturers Assn. and NADA have joined the domestic auto makers in supporting changes in the Clean Air Act sponsored by Michigan Rep. Bob Traxler and Indiana Rep. Elwood Hollis.

Hearings are scheduled for the House subcommittee chaired by California Rep. Henry Waxman for Sept. 14 and 15.

The Traxler-Hillis bill to change Title 2 of the law would set the CO standard at 7.0 instead of 3.4 grams per mile and change the NOx standard from 1.0 to 2.0 grams/mile, for both diesels and gasoline-powered vehicles.

Waiver provisions would be scrubbed.

The bill would also require that EPA relate the auto emission standards to national ambient air quality needs and require that EPA consider the cost of auto pollution control standards as well as their effect on competition and energy use in setting new auto standards.

To set more stringent standards, EPA would have to allow a minimum leadtime of 48 months for HD vehicles and

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breaking news

Dealer-contributed rebates may be outlawed

COLUMBUS, O.—A new ruling by the Attorney General's Office outlaws rebates in Ohio where dealers contribute, effective Aug. 28. Chrysler pulled ads for revision, and Ford is expected to do the same on trucks. A GMAC spokesman felt the company wouldn't be affected, but Assistant Attorney General Barbara Roman thought it might since dealer contributions to the finance program could affect bottom line price. The act says it is "deceptive and unfair" for manufacturers to "represent a rebate or words of similar import" in advertising or selling motor vehicles if dealers are required to contribute. Key phrase is "rebate or words of similar import."

Schmuecker due back in October

WOLFSBURG, West Germany.—Toni Schmuecker, chairman of Volkswagen, is expected to resume his duties in October. He suffered a heart attack in June.

Renault leads in Common Market

PARIS.—Renault of France continued as the leading auto maker in the nine-county Common Market in the first six months, with a penetration of 13.9 percent. Its market share in France was 41.5 percent; in Spain, 34 percent; in Italy, 10.2 percent, and in West Germany, 4.4 percent.

See BREAKING NEWS, Page 8, Col. 1

Dial banks on turbo diesel

Peugeot sets its course for growth in America

By Robert M. Lienert
Editor

DETROIT. — Peugeot is deadly serious about penetrating the U. S. auto market and has sent its top-ranking marketing whiz — an expatriate American — on a whirlwind tour of North America to map out a proper assault.

N. V. (Vic) Dial, 42, director of marketing for Peugeot of France, stopped briefly in Detroit last week on a quick tour of the U. S. and Canada, visiting Peugeot dealerships and chatting with auto executives and newsmen.

"I really don't know the American market — I'm out of touch," Dial said. That is doubtless the truth.

Dial, who joined Peugeot last March, had previously spent 20 years with Ford Motor Co.—the most recent 18 in overseas assignments. Just prior to his move to Peugeot, he had served as president of Ford of France.

Last week he was on his way to California to examine the auto culture there.

Asked whether he believed that visiting California was the best way to get a handle on the American market, Dial smiled and replied, "California isn't the U. S., but you can't understand the U. S. market without seeing California."

Besides, he added, the West is one of Peugeot's strongest markets in North America.

• Dial is trying to immerse himself in American needs and preferences because, he says, Peugeot must make some fundamental product decisions over the next few years.

"We must answer such questions as, 'What is Peugeot's place?' and 'What should our strategy be?'" he said.

Peugeot has been in the North American market since the 1950s but has never been considered a major force among the imports.

Dial would like to change that and he figures that now is the time to do it — while the company "is transforming itself."

He was referring to Peugeot's changed position in Europe, where for a long time it was among the Top Ten makers with a reputation as a family-owned firm with an extremely conservative outlook.

Then, in a matter of months, Peugeot acquired Citroen and Chrysler Europe. It moved virtually overnight from an also-ran to the position of No. 2 auto maker in Europe.

As Dial puts it, "We quickly became a multi-national with plants in the United Kingdom and Spain — with multi-national problems."

Admitting that Peugeot has many organizational and administrative problems in swallowing the big chunks it has bitten off in Europe, Dial insists Peugeot is going to become a marketing force to reckon with in the world's auto markets.

He is still making decisions as to how wide a selection of models Peugeot should attempt to offer in North America.

He all but rules out bringing in the smaller Peugeot models and says, "We feel we are on the right track with the 505, particularly the turbo-diesel."

About 75 percent of 18,000-or-so cars Peugeot will sell in the U. S. this year will be 505 diesels, and most of them will be turbocharged. Sales of the higher-priced 604 will amount to less than 10 percent of U. S. sales this year, he said.

Although Dial says he is studying the entire potential market range in the U. S., it would be surprising to many observers if Peugeot would opt to move into the lower-priced, smaller-car segment.

As Dial put it, "We are in business to make money, not just to move cars.

"We market a quality car at a quality price and we do not knock off $1,000 to make deals."

That is a reference to domestic debates, but it is obvious that he is drawing a bead on the likes of Mercedes-Benz and BMW as he lays his plans for expansion in North America.

Medfly spraying ruins auto paint; Calif. claims filed

SAN FRANCISCO.—At least 800 Northern California automobile owners have joined thousands of farmers in the area as victims of the current invasion of the Medfly.

The vehicle owners have filed claims against the state for damage to automobile paint resulting from intensive aerial spraying of Malathion to repel the insect.

Jerry Scribner, who heads the state-organized battle to control the Medfly invasion, told the Sacramento County Agricultural Commission, "The claims filed by automobile owners may well turn out to be the most costly part of our effort to contain the Medfly infestation.

"Many of the vehicles being damaged by the Malathion being sprayed from the air," Scribner said, "unfortunately are turning out to be the more expensive kind of cars with costly paint jobs and expensive paint repairs necessary."

The Malathion pesticides bait sprayed from helicopters over hundreds of miles of the San Francisco Bay Area South of San Francisco is a type which literally cuts through a vehicle's outer coating of paint as well as the primer paint.

Scribner added that "in many of the claims we are now getting, a complete repainting of damaged car or truck is costing as much as $1,200 or more."

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Clearing the decks for '82

Twenty new-car dealers in Harrisburg, Pa., staged a three-day tent sale to hype the cleanup of 1981 models. The dealers sold 713 new cars during the three days, with one dealer moving 118 units.

Dealers in Harrisburg sell under Big Top

HARRISBURG, Pa. — Twenty new-car dealers sold 713 autos in a three-day "$12 million Auto Tent Sale" here in August, despite an evening rainout. The sale was held at the parking lot of the Farm Show Complex.

It was followed by a used-car sale at the same location, using the carnival-like props to move 344 used automobiles. Individual dealership sales ran as high as 26 vehicles.

It was the second annual year-end clearance event, the brainchild of Robert D. Lilley, secretary of the 34-member Harrisburg Automotive Trade Assn. He said the demand for space was so great it had to be allocated by lottery. Last year, a three-day sale moved 566 new cars.

The sales bash cost participating dealers $1,875 each, according to Lilley. He said, "You don't have to bring in professional promotors to stage an event like this."

S & H Pontiac-Honda, Harrisburg, scored highest, selling 118 new cars in three days, compared with 65 last year.

At the start of the new-car event, dealers had 1,000 1981 vehicles on display; 1,500 used were available. The sale included trucks.

Complete salesroom services were available. Four banks set up facilities, and credit life representatives were on hand to help the dealers. Dealers had to obtain special licenses from the state to sell outside their authorized salesrooms.

A special "invitational" presale for regular customers was held on the eve of the public sale.

A clean-up crew was on duty 24 hours a day at the sales site to process trade-ins for resale in the used-car portion of the event.

The sale was promoted vigorously, with a 20-page insert placed in the Harrisburg Patriot-News newspapers and extensive radio and television time.

Under a barrage of high-floating balloons and a small promotional blimp belonging to one of the participating dealers, the event included clowns, strolling musicians and a free baby-sitting service. Food and drinks were available.

Lilley said, "An auto tent sale is a way to bring the cars to the public, instead of their shopping at eight different dealerships (his estimate for new car buyers) over several weeks. The consumers are busy. They don't have time, nor do they enjoy shopping around."

Merpi and Hall win key posts at AN World Expo

Appointment of Tony Merpi as managing director of Automotive News World Expo was announced by Keith E. Crain, publisher and editorial director of AUTOMOTIVE NEWS.

The first annual Automotive News World Expo will be held next Aug. 24-27 at Detroit's Cobo Hall, running in tandem with the seventh annual Automotive News World Congress, which will be held Aug. 22-25 at the Detroit Plaza Hotel.

Crain also announced the appointment of Mark Hall as director of exhibit services for Automotive News World Expo.

"Appointment of Merpi and Hall is only part of the forward planning necessitated by the enthusiastic early response to our initial announcement of the World Expo," Crain said.

Merphi joined AUTOMOTIVE NEWS five years ago and has covered Michigan and Ohio as sales representative.

Hall comes to AUTOMOTIVE NEWS from National Exhibition Service, Inc., where he was director of sales.

Tony Merpi

Mark Hall

Former dealership becomes apartments

BOSTON. — The former Bugle Buick building in Taunton, Mass., has become a 75-unit apartment building for the elderly.

Ford to reveal all recalls in policy change

By Marjorie Sorge

DETROIT. — Ford Motor Co. will publicly announce all safety recalls in order to avoid any "misunderstandings" in the future, according to Chairman Philip Caldwell.

Caldwell said Ford will now announce its recalls at the same time the company tells affected owners.

Both Ford and Chrysler Corp. were the subject of heavy criticism earlier this month because neither had announced a total of nine recalls involving 222,758 vehicles in the 1981 model year. Those included 222,538 Ford Escort/Lynx-type cars and 220 Chrysler K-cars. Chrysler announced another recall involving 110,000 Aries and Reliant models after a story appeared in the Detroit Free Press about the unannounced recalls.

A Chrysler spokesman said the company was planning to announce that recall but was scooped by the paper.

Chrysler Chairman Lee A. Iacocca said that announcement was the "one and only recall of those K-cars which were in consumer's hands" and that "a previous recall of only 220 cars to check brake fluid was not announced because the cars were still in the company's control."

Iacocca said Chrysler would "match the low level of recalls against any company's new car — domestic or foreign — in its first year of production."

Previously, the companies said they had not issued news releases because they were confident they could inform owners easily since the recalls involved only 1981 vehicles. They said decisions on issuing news releases are based on the age of the vehicles involved with the older vehicles getting more publicity because the owners are harder to trace. The decisions are also based on the number of vehicles involved and the seriousness of the defect.

However, heavy criticism of this practice caused Ford to resume issuing releases on recal's because of the "spate of bad publicity" and "to avoid any misunderstandings."

Previously Ford, and other auto companies, issued press releases because NHTSA issued them and the companies wanted to get their point across, a spokesman said. But NHTSA did not issue releases on any of the Chrysler or Ford recalls since the first of the year.

It was thought that NHTSA was relaxing its policies under the new administration but Raymond Peck, NHTSA administrator, denied this.

He said if the problems were significant, involved a substantial number of vehicles and involved immediacy or urgency, releases would be issued. However, he said the Ford and Chrysler recalls did not meet those criteria.

Although the grand total of Ford and Chrysler cars recalled is impressive, company spokesmen said the numbers involved in any of the individual recalls was not that great.

A Chrysler spokesman said the company would continue to issue news releases on recalls "at appropriate times" when necessary to alert owners who might not be reached by registered mail.

As first of '82 models bow

Buick extends Regal nameplate

Buick is saving its biggest '82-model surprises for January as the GM division brings back most of its '81 cars with slight appearance and comfort revisions and several performance changes for a late September and mid-November introduction.

The intermediate Regal commands immediate attention, as its name is attached to the four-door sedan and four-door station wagon that were Century models last year. This is in addition to the Regal coupe, which is carried over.

Regal coupes and sedans get a new V-6 diesel engine option for 1982. The electronic climate control system that has been available in the Riviera, Electra and LeSabre is now offered for all Regals.

Regal, LeSabre, Electra and Riviera are scheduled for a Sept. 24 dealer introduction. The 1982 Skylark goes on sale in mid-November.

The all-new front-drive Century and a Riviera T-type coupe will debut sometime after the first of the year.

The current 1982 lineup includes 23 models.

Skylark

The 1982 Skylark features a new front end panel with vertical grille hiding its standard 2.5-liter L-4 with electronic fuel injection. There is an increase in horsepower of 7 percent.

Available for the first time this fall is a new High Output (H.O.) version of the 2.8-liter V-6 for Skylark buyers seeking extra performance. It promises a 20 percent increase in horsepower compared with the regular 2.8-liter six, which also is an engine choice.

The H.O. six is available with either four-speed manual or automatic transmission. For Skylarks equipped with either V-6, the automatic has a converter clutch for improved fuel economy.

Skylarks with V-6 engines also have a new tri-pot drive joint instead of the double offset joint ordinarily specified.

Skylark's front suspension has been refined and its engine cradle redesigned for improved serviceability. The engine has been repositioned slightly to reduce driveline vibration, and the rack-and-pinion steering system has been relocated from the body to the frame for better isolation and road feel.

Vinyl areas of the seats have been replaced by a new felt knit cloth for a more finished look and feel.

The fuse block has been relocated to the glove box for easier accessibility. Cruise control, previously available only with automatic transmission, now is available on Skylarks with the four-speed manual transmission.

Low-rolling-resistance tires have pressure increased to 35 psi for greater economy. New standard equipment for 1982 includes power steering, power brakes, color-coordinated seat belts and convenience and underhood lights.

The six Skylark models include base Skylark in coupe and four-door sedan, Skylark Sport in coupe and sedan and Skylark Limited in coupe and sedan.

Regal

Buick's Regal nameplate gets even more exposure in 1982 as it is fastened on new sedan and station wagon models. The sedan, available in base and Limited versions, features the familiar formal roof line from the 1981 Century series. The Regal coupe has a swingaway grille.

The Regal series gets the 4.1-liter V-6 engine as an option for 1982, replacing the larger 4.3-liter V-8. The base engine remains the 3.8-liter six. Available in all body styles, the 4.1-liter, with four-barrel carburetor, offers an estimated 11 percent improvement in EPA city fuel economy and 7 percent highway over the V-8 it replaces.

The 4.1-liter engine gets electronic idle speed control, previously used on the 3.8-liter engines, and electronic spark control is standard with overdrive transmissions.

Regal coupes and sedans have two optional diesels for 1982: The big 5.7-liter V-8 and a new 4.3-liter V-6.

The Regal Sport Coupe boasts improvements to its standard turbocharged 3.8-liter V-6. Performance has been boosted and maintainability has been improved. Modifications in the lubrication system (a five-quart oil pan is used plus a high-output oil pump and a new oil passage) have increased the recommended oil change interval from 3,000 to 7,500 miles.

Regal for 1982 also receives the electronic touch climate control system. Low drag front brake calipers will be used on Regal and all 1982 Buicks.

Regal models number six and include base Regal in coupe and four-door sedan, Regal Sport Coupe in coupe and sedan, Regal Limited sedan and Regal Estate Wagon.

LeSabre, Electra

The full-size LeSabre for 1982 has minor exterior changes, including a new grille design. The base series is redesignated LeSabre Custom, with additional interior and exterior trim items added as standard equipment.

Base engine for LeSabre continues to be the 3.8-liter V-6. The larger 4.1 V-6, a 5.0 V-8 and the 5.7-liter V-8 diesel are available.

Other options include electronic climate control, special V-6 trailering package, electronically tuned radios, cruise control memory light and Gran Touring suspension.

There are five LeSabre models: LeSabre Custom Coupe and four-door sedan, LeSabre Limited coupe and sedan and LeSabre Estate Wagon.

The luxurious Electra for 1982 includes some new convenience features to enhance its unchanged exterior. A "memory seat" and sail panel reading lamp options will be available. Additional equipment made standard includes tilt steering column, whitewall tires, tinted glass and convenience light.

The Electra Park Avenue will have as standard remote trunk release, power door locks, six-way power seat for the driver, tilt steering column and resume cruise control.

Base engine on the Electra continues to be the 4.1-liter V-6, with the 5.0-liter V-8 and 5.7-liter diesel available.

The five Electra models are Electra Limited coupe and four-door sedan, Electra Park Avenue coupe and sedan and Electra Estate Wagon.

Riviera

Buick's front-drive luxury nameplate Riviera features minor changes for 1982, including the addition of automatic transmission with overdrive as standard fuel-saving equipment. Depending on the engine selected, the highway MPG improvement ranges from an estimated 10 to 25 percent.

Standard engine on the Riviera continues to be the 4.1-liter V-6 with four-barrel corpuretor. Optional are a 5.0-liter V-8 and a 5.7-liter diesel V-8. A revised Riviera T-type, the second of two models, will debut after Jan. 1 and will feature the turbo 3.8-liter V-6 as standard, with the 4.1-liter V-6 and the 5.0-liter eight optional.

Black bumper rub strips are new to the Riviera.

1982 Buick

	Wheelbase (inches)	Length (inches)	Width (inches)	Height (inches)	Curb Weight (Pounds)
Skylark	104.9	181.1	68.9	53.5	2,509
Regal	108.1	200.6	71.6	54.1	3,281
Regal Estate Wagon	108.1	196.7	71.2	55.5	3,362
Riviera	114.0	206.6	71.5	54.3	3,673
LeSabre	115.9	218.4	76.2	55.0	3,627
LeSabre Estate Wagon	115.9	220.5	79.3	57.1	4,118
Electra	118.9	221.3	76.1	55.6	3,856
Electra Estate Wagon	115.9	220.5	79.3	57.1	4,290

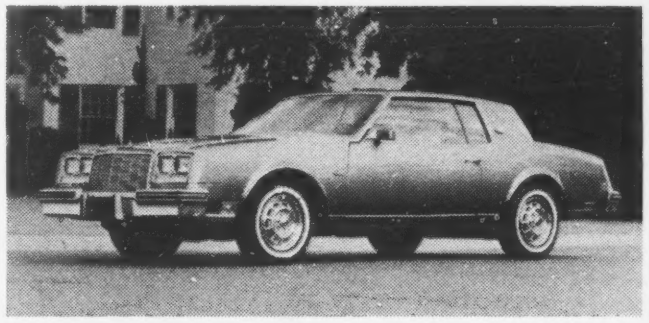
1982 Buick Engines

	Type	Displacement (Cu. In./Liters)		Carburation	Compression Ratio	Net Horsepower
Skylark	L-4	151	2.5	FI	8.2	90
Skylark	V-6	173	2.8	2V	8.4	112
Skylark	V-6†	173	2.8	2V	8.9	135
Regal, Regal Estate Wagon, LeSabre	V-6	231	3.8	2V	8.0	110
Regal Sport Coupe, Riviera T-type	V-6*	231	3.8	4V	8.0	175
Regal, Regal Estate Wagon, LeSabre; Electra, Riviera, Riviera T-type	V-6	252	4.1	4V	8.0	125
Regal	V-6††	263	4.3	FI	22.5	85
LeSabre, LeSabre Estate Wagon, Electra, Electra Estate Wagon, Riviera, Riviera T-type	V-8	307	5.0	4V	8.0	140
Regal, Regal Estate Wagon, LeSabre, LeSabre Estate Wagon, Electra, Electra Estate Wagon, Riviera	V-8††	350	5.7	FI	22.5	105

† High Output
* Turbo
†† Diesel

Efficient engine, better handling

The 1982 Skylark has important changes under the hood. Standard engine is a 2.5-liter four with electronic fuel injection replacing last year's two-barrel carburetor. The Gran Touring suspension is also available on Buick's smallest car, Skylark, with springs, shocks and stabilizer cars tuned to increase road feel and handling.



Another Riviera on the way

The sleek Riviera for 1982 will be joined by a revised Riviera T-type sometime after Jan. 1. Riviera has automatic transmission with overdrive as standard equipment in '82. The T-type will feature the turbocharged 3.8-liter V-6 as standard, with the 4.1 V-6 and 5.0 V-8 as optional engines.

LeSabre new up front

The Buick LeSabre will have a new grille with more prominent vertical lines for 1982. Interior trims are upgraded, and a long list of options can be ordered to increase comfort and convenience. Base engine for the LeSabre is a 3.8-liter V-6. Three others, including a 5.7-liter diesel, are available.

Rebates hype new-car sales

Continued from Page 1

cent. AMC was up to 2.44 percent from 1.87 percent, and VWoA slipped to 2.37 percent from 3.33 percent.

DOMESTIC SALES

	Aug. 11-20, 1981	Aug. 11-20, 1980
AMERICAN MOTORS	5,000†	3,200†
Chrysler	1,714	3,030
Imperial	127	—
Plymouth	10,696	6,353
Dodge	10,316	6,606
CHRYSLER CORP.	22,853	15,989
Ford	25,262	25,307
Mercury	10,167	6,681
Lincoln	1,605	1,224
FORD MOTOR	37,034	33,212
Buick	25,186	19,353
Cadillac	7,172	5,304
Chevrolet	49,669	48,011
Oldsmobile	30,042	21,695
Pontiac	22,880	18,325
GENERAL MTRS.	134,949	112,688
VOLKSWAGEN	4,842	5,676
INDUSTRY TOTAL	204,678	170,765

† Estimate

Only three of the 13 makes reporting both years turned in sales declines: Chrysler was down 43.43 percent, Ford was off 0.18 percent and VWoA was down 14.69 percent.

On the rise were: Plymouth, up 68.36 percent; Dodge, up 56.16 percent; AMC, up 56.25 percent; Mercury, up 52.18 percent; Oldsmobile, up 38.47 percent; Cadillac, up 35.22 percent; Lincoln, up 31.13 percent; Buick, up 30.14 percent; Pontiac, up 24.86 percent, and Chevrolet, up 3.45 percent.

Top nameplate in mid-August was Chevrolet Citation with sales of 12,260. It was followed by Oldsmobile Cutlass Supreme at 10,400, Buick Regal at 8,584, Chevrolet Citation at 8,331 and —a newcomer to the top five— Plymouth Reliant at 7,043.

Year-to-date sales totaled 4,164,870, down 1.55 percent from 4,230,300 last year.

Mack adds special-purpose vehicle

Mack Trucks, Inc., has a new entry in its line of extra-heavy, long-wheelbase vehicles, the RD800 Series. The company said this version of the DM800 Series is ideally suited for logging and oil-field applications, with special design features to facilitate heavy loading and off-road operation.

truck industry news

But second-quarter tallies were up sharply over first 3 months

6-month registrations drop 16.6 pct.

Six-month registrations of new trucks of all types in the U. S. dropped 16.6 percent below last year's total, and the gap would have been wider had it not been for an impressive rally in the second quarter.

Through June, according to R. L. Polk & Co. reports, 1,085,915 trucks were registered in

Table on Page 33.

49 of the 50 states, compared with 1,302,202 in the like period a year ago. Oklahoma figures have not been available for more than a decade.

The first-half total was the lowest since 1975, when the count hit 1,071,948 units. The all-time six-month high of 1,866,559 tallies was achieved in 1978, the only year in which retail truck sales have topped the four-million mark.

In the April-June period, 585,185 new vehicles were registered, an increase of 17 percent over the first quarter's 500,730 and only 8.4 percent below the year-earlier 638,945.

First-quarter registrations were down almost 25 percent from the same period a year ago, 500,730 versus 663,257.

Last year, the first three months were stronger than the second three. The January-March total of 663,257 units was 3.8 percent higher than the second quarter's 638,945.

• This year's first half ended on a solid beat, with the June tallies topping the 200,000 mark for the first time since last July. During the month, 200,866 units were registered, off 4.7 percent from the year-earlier 210,673.

Last July, the total was 222,249, down 23.4 percent from the 290,070 tallied in the same month in 1979. The low point in the last 12 months was reached in January, when the count fell to 161,508 units.

Over the six-month span, all three market segments and seven of the eight weight classifications had fewer registrations than a year ago.

Light-truck tallies (Groups 1 through 3) were down 16.3 percent from last year, 981,350 versus 1,171,995. Mediums (Groups 4 through 6) were off 16.8 percent, from 30,238 in 1980 to 25,163. Heavies (Groups 7 and 8) totaled 79,402, a decline of 20.6 percent from the year-earlier 99,969.

Group 3 was the only one of the eight to show an improvement over a year ago, and the total was relatively close to doubling the 1980 count. The first-half saw 6,411 tallies in this group, 72.8 percent higher than last year's 3,710.

Group 1, with the independent imported pickups providing the principal support, was off only 6.3 percent from the previous year. The six-month count was 542,037 units, compared with 578,184 in 1980.

• Through June, registrations of the independent imported Group 1 pickups totaled 145,412 units, a decline of 3.6 percent from the record 150,887 tallied in 1980 before the increase in the tariff from 4 to 25 percent.

This year, these vehicles, accounted for 26.8 percent of the Group 1 total in the first half. A year ago, they represented 26 percent of the six-month count.

The biggest drop in unit registrations was suffered by Group 2. The first-half total of 432,902 units was down 26.6 percent from the 590,101 tallied in 1980 when Group 2 was the largest of the eight in both sales and registrations.

Only eight Group 4 trucks were registered in the first six months of 1981, a decline of 94.7 percent from last year's 150 units. With the collapse of the RV market starting in 1979, the number of Group 4 tallies has dwindled rapidly.

Group 5 registrations through June totaled 853 units, off 28.9 percent from the year-ago 1,199, while the Group 6 count dropped from 28,889 in 1980 to 24,302, a decline of 15.9 percent.

Six-month tallies of Group 7 trucks were down 16.4 percent from last year, 33,815 units versus 40,450. The Group 8 total of 45,587 vhicles was a decline of 23.4 percent from the previous year's 59,519.

HD registrations in second quarter increase 21.5 pct.

In spite of the sluggish heavy-truck market, registrations of new Groups 7 and 8 vehicles in the second quarter were up significantly over those in the first three months.

According to R. L. Polk & Co. statistics, 43,557 heavies were tallied in the April-June period, an increase of 21.5 percent over the first quarter's 35,845 units.

June registrations topped the 14,000 mark for the third month in a row. The month's total of 14,306 units was down only 3 percent from the 14,756 registered in the same month a year ago.

For the six-month period,

Continued on Page 22, Col. 5

U. S. TRUCK REGISTRATIONS

Six months, 1981 vs. 1980★

Based on R. L. Polk & Co. statistical report

Make	6 mos., 1981	Percent Share of '81 market	6 mos., 1980	Percent Share of '80 market	Pct. pt. Change, '81-'80
Ford	349,103	32.15	415,599	31.92	+ 0.23
Chevrolet	332,610	30.63	395,036	30.34	+ 0.29
Dodge	82,481	7.60	119,765	9.20	— 1.60
GMC	80,285	7.39	97,653	7.50	— 0.11
International	30,259	2.79	29,744	2.28	+ 0.51
Jeep	26,384	2.43	42,508	3.26	— 0.83
Mack	9,488	0.87	11,449	0.88	— 0.01
Plymouth*	8,441	0.78	15,255	1.17	— 0.39
Kenworth	5,342	0.49	6,443	0.50	— 0.01
Freightliner	4,324	0.40	6,004	0.46	— 0.06
Peterbilt	3,040	0.28	3,947	0.30	— 0.02
White	1,424	0.13	2,629	0.20	— 0.07
Volvo	769	0.07	352	0.03	+ 0.04
Western Star	427	0.04	528	0.04	.....
Autocar	634	0.06	874	0.07	— 0.01
Diamond Reo	58	.....	60	.....	.....
Misc.**	150,846	13.89	154,356	11.85	+ 2.04
TOTALS	1,085,915	100.00	1,302,202	100.00	.....

★—No registrations for Oklahoma, 1981 and 1980.
* Plymouth trucks are Trail Duster, Voyager and Arrow.
** Miscellaneous includes imports, Mercedes, Crane Carrier, Oshkosh, FWD, Hendrickson, etc.

Market woes stifling recovery efforts at IH

CHICAGO.—International Harvester's efforts to stem the flow of red ink aren't making much headway in the face of the nagging presence of high interest rates, weak markets and the industrywide price discounting to relieve swollen inventories.

The company has reported losses from continuing operations in the first three quarters of fiscal 1981 and the outlook for an operating profit in the final quarter isn't bright.

Actually, Harvester had a net income of $101.4 million in the third quarter as a result of the sale of its Solar Turbines International Division and a reduction in companywide inventories.

The three-month net included a $275.3 million gain from the Solar sale, which was offset by a loss of $168.3 million from continuing operations and an operating loss of $5.6 million from discontinued operations.

Archie R. McCardell, chairman, said the third-quarter loss from continuing operations was higher than expected because of the high interest rates, reduced demand and the price discounting.

"If interest rates continue to remain at their current high levels, it is unlikely that the company will be able to report an operating profit in the fourth quarter," he said.

For fiscal 1981's nine months ended July 31, Harvester had an operating loss of $353.8 million on sales of $5.3 billion. In the like period of fiscal 1980, there was a loss of $391.1 million from operations on sales of $3.8 billion. Net loss was down from $417.5 million a year ago to $74.2 million.

Third-quarter sales this year were down slightly, from $1.7 billion a year ago to $1.6 billion. Last year, there was a net income of $61.9 million and operating profits of almost $60 million.

The last time that Harvester reported a quarterly profit was in the last three months of fiscal 1980, when the figure was $20.2 million.

McCardell said the company expects to complete its $5 billion debt-restructuring plan during the fourth fiscal quarter which ends Oct. 31. Originally, it had set May as the target.

Meanwhile, Harvester has taken exception to reports that it is pressuring suppliers to make

Continued on Page 33, Col. 1

High interest rates, truck-price resistance hurting, survey shows

Outlook for dealer profits is bleak

High interest rates and steep truck prices continue to squeeze dealer sales and profits, and in spite of optimism here and there, the outlook for a meaningful upturn in the near future isn't bright.

"It'll be at least another 18 months before things can get back to normal," commented a Northwest Peterbilt dealer in response to an AUTOMOTIVE NEWS survey on first-half dealer profits and prospects for the last six months of the year.

He said his January-June earnings were about the same as a year ago, and that he expects more of the same for the remainder of the year.

"A reduction in dealer inventories will have the greatest influence on increased profits in the months ahead," he noted. "Too many trucks in stock plus high flooring rates equal panic selling and lower profits."

SAE truck banquet to hear GM's Mair

DETROIT.—Alex C. Mair, vice president and group executive in charge of the General Motors Technical Staffs Group, will be the principal speaker at the banquet Nov. 9 during the annual SAE truck meeting in Dearborn Nov. 9-12.

Mair, a former general manager of GMC Truck & Coach Division, will discuss the challenges and opportunities facing the truck industry, as well as changes in truck design and engineering.

Slightly more than a third (35.4 percent) of the survey respondents reported an increase in earnings over a year ago. Some of them said they lost money in the first half of 1980.

A decrease in six-month earnings this year was reported by 44.6 percent of the dealers, while the remaining 20 percent said their profits were about the same as those in the first half of 1980.

• For the final six months, 41.3 percent of the respondents said they look for a gain in profits and the same percentage reported theirs probably will be lower. The remaining 17.4 percent said earnings wil be about the same.

Many dealers said one way

Continued on Page 33, Col. 1

U. S. HEAVY DUTY REGISTRATIONS

Six months, 1981 vs. 1980★

Based on R. L. Polk & Co. statistical report

Make	6 mos., 1981	Percent Share of '81 market	6 mos., 1980	Percent Share of '80 market	Pct. Pt. Change, '81-'80
International	20,528	25.85	15,735	15.74	+10.11
Ford	16,585	20.89	25,330	25.34	— 4.45
GMC	10,550	13.29	16,047	16.05	— 2.76
Mack	8,856	11.15	11,309	11.31	— 0.16
Kenworth	5,342	6.73	6,443	6.45	+ 0.28
Chevrolet	5,323	6.70	8,822	8.82	— 2.12
Freightliner	4,324	5.45	6,004	6.01	— 0.56
Peterbilt	3,040	3.83	3,947	3.95	— 0.12
White	1,424	1.79	2,629	2.63	— 0.84
Volvo	754	0.95	350	0.35	+ 0.60
Autocar	634	0.80	874	0.87	— 0.07
Western Star	427	0.54	528	0.53	+ 0.01
Diamond Reo	58	0.07	60	0.06	+ 0.01
Misc.	1,557	1.96	1,891	1.89	+ 0.07
TOTALS	79,402	100.00	99,969	100.00	.....

★—Groups 7 and 8 trucks only; no registrations for Oklahoma, 1981 and 1980.

High interest hurts, survey shows

Profit outlook is bleak for U. S. truck dealers

Continued from Page 20

that manufacturers could help ease dealer inventory expenses would be to extend free floor-planning periods. A number of them also called for factory pools from which they could draw trucks for which they have a demand.

"We can't sell from an empty wagon, and we can't afford to stock trucks," said an International dealer in the Northwest. "We must have a longer free floor-plan period or, at the very least, a considerable reduction in (floor-plan) rates."

Increases in truck prices were blasted by many respondents, who called a hold-the-line policy, or better still, a rollback vital to both the manufacturer's and dealer's interests.

"There is more resistance today than ever to price increases," commented a Rocky Mountain Peterbilt dealer, who predicts "six more months of poor used-trucks and 12 more months of poor new-truck sales."

A GMC dealer in the Southeast, who thinks interest rates will remain high for several years at least, called large corporations "almost totally irresponsible" in the battle against inflation.

• "It was more profitable to them to keep their plants running by avoiding a strike and give labor whatever they demanded," he said. "The purchaser has been repeatedly gouged by the resultant increase in the price of goods. Now he can't stand it.

"The time is here for the companies to begin thinking in terms of price rollbacks, which will likely bring a confrontation with labor, maybe even a strike," he added. "Bitter medicine indeed, but the sooner taken, the sooner cured."

This dealer had a substantial loss in the first half of 1980, but a small profit this year. "We expect to stay in the black but do not anticipate much improvement," he said. "Maybe 1982 will be better."

A Midwest International dealer called for a "sound, stable pricing policy" from the truck producers.

"Manufacturers are continually raising prices and then giving assistance to dealers and branches to make a sale," he noted. "The result is that salesmen and dealers are often uncertain where they should price trucks.

"This uncertainty is causing many difficulties at the dealer level," he added. "Customers sense this condition and hesitate to purchase because the price may be lowered. It's time for manufacturers to price trucks competitively and give the business back to the dealer and his salesmen."

• A number of dealers reported a strong market in good, late-model used trucks.

A Midwest Ford dealer said "clean used units are in demand; in fact, it is a sure bet that there will be a shortage of clean used units for at least six months."

Said another Ford dealer in the same section of the nation: "As long as new-truck sales are down, the used market should remain strong. The only problem here is finding good quality used trucks."

A Rocky Mountain International dealer reported that the "used market is strong for clean conventional tractors in the $20,000-to-$35,000 price range," and added: "We are reorganizing to place more emphasis on parts and service and less on new-truck sales."

He said his first-half profits were 95 percent lower than a year ago and that they would continue to be lower until interest rates drop to between 10 and 12 percent.

Several Chevrolet and GMC dealers said they are counting on the new General Motors domestic compact pickup and Chevrolet's all-new 6.2-liter diesel engine to improve their sales and profits in the 1982 model year.

Market woes stifle recovery efforts at IH

Continued from Page 20

price concessions and that its payments to them are being delayed beyond normal practice.

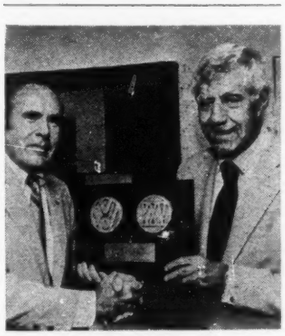
• A spokesman said Harvester's objective in supplier relations "is to stabilize our costs and to reduce them whenever possible to be cost-competitive. It is not an effort to cut supplier prices, but to cut our costs.

"We are exploring the possibility of arrangements with suppliers that would be of mutual benefit to them and us," he added. "Individual arrangements would be tailored to the situation concerning each supplier involved, based on volume of business, prices and services, such as scheduling and delivery."

He admitted that payment schedules have been revised over the last two years "to what we believe to be a competitive level."

"Others in our industry were paying 45 to 60 days after receipt of materials or services and that also has become our policy," the spokesman added.

He indicated that payments within 30 days after shipment no longer is "normal business practice."



Recognition

Everett Gardner, left, VW dealer at Gardner Motor Co., Bernardsville, N.J., receives a 25-year award plaque from Arthur Stanton, president, World-Wide Volkswagen Corp., Orangeburg, N.Y.

NEW TRUCK SALES BY MAKE AND GVW CLASS

SIX MONTHS, 1981 VS. 1980 ★

		Group 1 6,000 pounds and less	Group 2 6,001-10,000	Group 3 10,001-14,000	Group 4 14,001-16,000	Group 5 16,001-19,500	Group 6 19,501-26,000	Group 7 26,001-33,000	Group 8 33,001 and over	Make Totals
AUTOCAR	**June '81**	.....	.....	.....	.....	.....	.....	.....	**105**	**105**
	June '80	.....	.....	.....	.....	.....	.....	.....	76	76
	Year to date '81	.....	.....	.....	.....	.....	.....	.....	**634**	**634**
	Year to date '80	.....	.....	.....	.....	.....	.....	.....	874	874
BROCKWAY	**June '81**	.....	.....	.....	.....	.....	.....	.....	.....	.....
	June '80	.....	.....	.....	.....	.....	.....	.....	.....	.....
	Year to date '81	.....	.....	.....	.....	.....	.....	.....	.....	.....
	Year to date '80	.....	.....	.....	.....	.....	.....	.....	.....	.....
CHEVROLET	**June '81**	**31,355**	**24,636**	**902**	.....	**74**	**650**	**836**	**90**	**58,543**
	June '80	31,683	31,132	10	.....	94	846	917	212	64,894
	Year to date '81	**179,778**	**136,450**	**6,099**	.....	**459**	**4,491**	**4,786**	**537**	**332,610**
	Year to date '80	189,662	188,562	716	.....	850	6,424	7,141	1,681	395,036
(Memo Units) #	**June '81**	**11,007**	**7,843**	.....	.....	.....	.....	.....	.....	**18,850**
	June '80	11,574	8,381	.....	.....	.....	.....	.....	.....	19,955
	Year to date '81	**70,946**	**39,974**	.....	.....	.....	.....	.....	.....	**110,920**
	Year to date '80	86,346	55,283	.....	.....	.....	.....	.....	.....	141,629
DIAMOND REO	**June '81**	.....	.....	.....	.....	.....	.....	.....	**8**	**8**
	June '80	.....	.....	.....	.....	.....	.....	.....	14	14
	Year to date '81	.....	.....	.....	.....	.....	.....	.....	**58**	**58**
	Year to date '80	.....	.....	.....	.....	.....	.....	.....	60	60
DODGE	**June '81**	**8,678**	**7,391**	**42**	**1**	.....	.....	.....	.....	**16,112**
	June '80	8,009	11,764	609	2	.....	.....	.....	.....	20,384
	Year to date '81	**47,335**	**34,875**	**269**	**2**	.....	.....	.....	.....	**82,481**
	Year to date '80	47,495	69,513	2,613	144	.....	.....	.....	.....	119,765
(Memo Units) #	**June '81**	**5,035**	**4,145**	**1**	.....	.....	.....	.....	.....	**9,181**
	June '80	5,483	7,491	417	.....	.....	.....	.....	.....	13,391
	Year to date '81	**28,934**	**19,638**	**23**	.....	.....	.....	.....	.....	**48,595**
	Year to date '80	31,948	44,777	1,307	.....	.....	.....	.....	.....	78,032
FORD	**June '81**	**22,155**	**40,255**	.....	.....	.....	**1,435**	**2,270**	**703**	**66,818**
	June '80	19,863	42,306	69	.....	.....	1,725	3,149	1,208	68,320
	Year to date '81	**117,505**	**208,356**	.....	.....	.....	**6,657**	**12,460**	**4,125**	**349,103**
	Year to date '80	126,902	252,913	366	.....	.....	10,088	17,498	7,832	415,599
(Memo Units) #	**June '81**	**7,322**	**14,082**	.....	.....	.....	.....	.....	.....	**21,404**
	June '80	7,588	15,054	.....	.....	.....	.....	.....	.....	22,642
	Year to date '81	**44,445**	**66,783**	.....	.....	.....	.....	.....	.....	**111,228**
	Year to date '80	53,234	84,713	.....	.....	.....	.....	.....	.....	137,947
FREIGHTLINER	**June '81**	.....	.....	.....	.....	.....	.....	.....	**804**	**804**
	June '80	.....	.....	.....	.....	.....	.....	.....	764	764
	Year to date '81	.....	.....	.....	.....	.....	.....	.....	**4,324**	**4,324**
	Year to date '80	.....	.....	.....	.....	.....	.....	.....	6,004	6,004
VOLVO	**June '81**	.....	.....	.....	.....	**1**	**2**	**115**	**124**	**242**
	June '80	.....	.....	.....	.....	.....	.....	46	7	53
	Year to date '81	.....	.....	.....	.....	**2**	**13**	**381**	**373**	**769**
	Year to date '80	.....	.....	.....	.....	.....	2	309	41	352
GMC	**June '81**	**5,490**	**6,947**	**22**	.....	**119**	**435**	**930**	**928**	**14,871**
	June '80	4,993	7,879	.....	.....	51	544	840	1,149	15,456
	Year to date '81	**29,502**	**36,967**	**41**	.....	**387**	**2,838**	**5,334**	**5,216**	**80,285**
	Year to date '80	26,380	50,088	4	.....	336	4,798	7,589	8,458	97,653
(Memo Units) #	**June '81**	**827**	**2,156**	.....	.....	.....	.....	.....	.....	**2,983**
	June '80	736	2,085	.....	.....	.....	.....	.....	.....	2,821
	Year to date '81	**4,522**	**10,089**	.....	.....	.....	.....	.....	.....	**14,611**
	Year to date '80	5,007	14,023	.....	.....	.....	.....	.....	.....	19,030
INTERNATIONAL	**June '81**	.....	**165**	.....	.....	.....	**1,186**	**1,584**	**2,025**	**4,960**
	June '80	.....	1,412	.....	.....	.....	694	1,077	1,490	4,673
	Year to date '81	.....	**1,613**	.....	.....	.....	**8,118**	**9,929**	**10,599**	**30,259**
	Year to date '80	.....	8,112	.....	.....	.....	5,897	7,049	8,686	29,744
(Memo Units) #	**June '81**	.....	.....	.....	.....	.....	.....	.....	.....	.....
	June '80	.....	.....	.....	.....	.....	.....	.....	.....	.....
	Year to date '81	.....	.....	.....	.....	.....	.....	.....	.....	.....
	Year to date '80	.....	.....	.....	.....	.....	.....	.....	.....	.....
JEEP	**June '81**	**3,807**	**1,762**	.....	.....	.....	.....	.....	.....	**5,569**
	June '80	4,160	2,093	.....	.....	.....	.....	.....	.....	6,253
	Year to date '81	**16,256**	**10,128**	.....	.....	.....	.....	.....	.....	**26,384**
	Year to date '80	26,495	16,013	.....	.....	.....	.....	.....	.....	42,508
(Memo Units) #	**June '81**	**3,807**	**1,278**	.....	.....	.....	.....	.....	.....	**5,085**
	June '80	4,160	1,566	.....	.....	.....	.....	.....	.....	5,726
	Year to date '81	**16,256**	**7,433**	.....	.....	.....	.....	.....	.....	**23,689**
	Year to date '80	26,495	11,915	.....	.....	.....	.....	.....	.....	38,410
KENWORTH	**June '81**	.....	.....	.....	.....	.....	.....	.....	**1,069**	**1,069**
	June '80	.....	.....	.....	.....	.....	.....	.....	821	821
	Year to date '81	.....	.....	.....	.....	.....	.....	.....	**5,342**	**5,342**
	Year to date '80	.....	.....	.....	.....	.....	.....	.....	6,443	6,443
MACK	**June '81**	.....	.....	.....	.....	.....	**145**	**56**	**1,407**	**1,608**
	June '80	.....	.....	.....	.....	.....	42	.....	1,723	1,765
	Year to date '81	.....	.....	.....	.....	.....	**632**	**117**	**8,739**	**9,488**
	Year to date '80	.....	.....	.....	.....	.....	140	.....	11,309	11,449
PETERBILT	**June '81**	.....	.....	.....	.....	.....	.....	.....	**651**	**651**
	June '80	.....	.....	.....	.....	.....	.....	.....	485	485
	Year to date '81	.....	.....	.....	.....	.....	.....	.....	**3,040**	**3,040**
	Year to date '80	.....	.....	.....	.....	.....	.....	.....	3,947	3,947
PLYMOUTH	**June '81**	**853**	**368**	.....	.....	.....	.....	.....	.....	**1,221**
	June '80	1,365	825	.....	.....	.....	.....	.....	.....	2,190
	Year to date '81	**6,249**	**2,192**	.....	.....	.....	.....	.....	.....	**8,441**
	Year to date '80	10,363	4,892	.....	.....	.....	.....	.....	.....	15,255
WESTERN STAR	**June '81**	.....	.....	.....	.....	.....	.....	.....	**97**	**97**
	June '80	.....	.....	.....	.....	.....	.....	.....	61	61
	Year to date '81	.....	.....	.....	.....	.....	.....	.....	**427**	**427**
	Year to date '80	.....	.....	.....	.....	.....	.....	.....	528	528
WHITE	**June '81**	.....	.....	.....	.....	.....	.....	.....	**208**	**208**
	June '80	.....	.....	.....	.....	.....	.....	.....	403	403
	Year to date '81	.....	.....	.....	.....	.....	.....	.....	**1,424**	**1,424**
	Year to date '80	.....	.....	.....	.....	.....	.....	.....	2,629	2,629
MISCELLANEOUS*	**June '81**	**26,911**	**540**	.....	**1**	**2**	**230**	**159**	**137**	**27,980**
	June '80	23,513	4	.....	.....	.....	230	130	184	24,061
	Year to date '81	**145,412**	**2,311**	**2**	**6**	**5**	**1,553**	**808**	**749**	**150,846**
	Year to date '80	150,887	8	11	6	13	1,540	864	1,027	154,356
TOTALS	**June '81**	**99,249**	**82,064**	**966**	**2**	**196**	**4,083**	**5,950**	**8,356**	**200,866**
	June '80	93,586	97,415	688	2	145	4,081	6,159	8,597	210,673
	Year to date '81	**542,037**	**432,902**	**6,411**	**8**	**853**	**24,302**	**33,815**	**45,587**	**1,085,915**
	Year to date '80	578,184	590,101	3,710	150	1,199	28,889	40,450	59,519	1,302,202

★—No registrations for Oklahoma, 1981 and 1980.

★—Memo units are trucks which are part of the total listed above each entry. Chevrolet memo units are Chevy-Van, El Camino and Blazer; Dodge, compact trucks; Ford, Econoline, Ranchero and Bronco; GMC, Vandura, Jimmy and Sprint; International Scout, Jeep, CJ-5, CJ-6 and Commando. ★—Miscellaneous includes Imports, Divco, Hendrickson, Oshkosh, etc.

—Compiled from R. L. Polk & Co. data.

Class action involves alleged Park-Reverse slippage

New suit filed on Ford automatics

Continued from Page 6

140 deaths and more than 1,700 injuries have been linked to the alleged failures to hold certain vehicles in Park.

In the latest action, the plaintiffs use the 1975 Magnuson-Moss Warranty Act.

The first count charges breach of the implied warranties of merchantable quality and trade usage. The second charges breach of written warranty. The third charges negligence in designing, manufacturing, testing and equipping said vehicles with said transmissions. The fourth charges strict tort liability under state law.

Plaintiffs include those who incurred property damage or economic loss, personal injury, or liability for personal injury or economic loss or damage or who own one of the affected vehicles. Included are the plaintiffs themselves and others similarly situated.

Excluded are those others who have already sued Ford.

In other words, there are some who have experienced specific Park to Reverse incidents who ask for damages and correction and others who merely own such vehicles with the alleged defect who want mainly equitable relief and others acting under state law negligence and strict tort liability claims who may be eligible for both.

Those experiencing failures are estimated to be in the tens of thousands, the owners in the millions, and the others in the thousands. If Ford loses, its costs could be much more than the many millions it would have cost to recall and correct the alleged problem last year.

Among questions raised are: Was Ford's 12/12 limited warranty "conscionable" or of "reasonable duration?" Did Ford actively conceal defects in its transmissions so as to toll the statute of limitations for claims of owners of '76 and '77 vehicles? Also: Was Ford's attempt to disclaim liability for consequential or incidental economic loss or damage as a breach of implied warranties a violation of the Magnuson-Moss Warranty Act? Did Ford discover various mechanical defects in the said transmissions before expiration of the written warranty and, if so, did Ford breach its written warranty by failing to recall and correct?

Also: Was Ford negligent in designing and equipping vehicles with said transmissions? Were the transmissions defective in such a way as to make Ford strictly liable in tort? Was Ford's conduct such as to entitle plaintiffs to punitive or exemplary damages? Was the likelihood of vehicle operator negligence as a cause of slipping from Park to Reverse so remote as to be de minimus and legally disregardable as a defense?

The suit claims that from July 5, 1975 — the date the Magnuson-Moss Act became effective — through the 1979 models, Ford equipped various vehicles with the five types of transmissions which were not fit for the ordinary purpose for which they were intended. (One of the claims NHTSA made earlier was that Ford transmissions were inferior to those made by General Motors and Chrysler.)

For the 1980 model year, Ford changed its design.

Ford's 12/12 written warranty was an attempt to limit liability, it is claimed, for there is no necessary connection between the alleged slippage and time. The suit also claims that Ford knew of its defective designs, but failed to notify owners or to correct the situation or to inform its dealers.

In fact, says the suit, Ford tried to disclaim liability in contravention of some states' laws banning such limitations or disclaimers. The suit cites not only Ford's failure to notify but its continued denial of defect and claims that Ford's continuing sales of such transmissions are negligence.

Used car sales

Auction Averages

August to date	$4,548
Month ago	$4,398
Year ago	$3,653

Model breakdown

Auction Averages

	AUGUST	JULY	JUNE
1981	$8,434	$7,619	$7,126
1980	6,130	6,008	5,856
1979	5,122	5,000	4,857
1978	4,031	3,872	3,669
1977	3,160	3,142	2,972
1976	2,413	2,291	2,288
1975	1,567	1,686	1,699
1974	1,248	1,314	1,379
Overall Average	$4,548	$4,398	$4,286

Something to cheer about

There are four doors plus plenty of room for gear in the rear of the 1982 Escort four-door hatchback scheduled to go on sale at Ford dealerships this fall. With the rear seat folded down, there are 31 cubic feet of cargo space, in addition to a number of functional, trim and drivetrain refinements added to the Escort for '82.

Hatfield Auto Auction builds new facilities

HATFIELD, Pa. — Hatfield Auto Auction, Inc., is building new facilities which will permit the operation to expand from two lanes to four lanes.

The new complex also will include a car wash, a cafeteria and a computerized system for registering cars. Tentative opening date of the new quarters is Oct. 6.

used-car auction directory

Display Rates: $53.00 per column inch (minimum space, 1 inch on 1 column). Listing Rates: (Maximum: Four lines of type - 1 time, $13.50; 13-times, $11.50; 26-times, $10.00; 52-times, $9.00. For Frequency Display Rates Contact Want Ad Dept., Automotive News, 965 E. Jefferson, Detroit 48207. Phone (313) 567-9520. Closing: 10 days in advance.

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ARIZONA

Southwest Auto Auction. Lease and fleet accounts welcome. Member NAAA and NAFA. 3420 South 48th Street, Phoenix, 602-894-2211.

ARKANSAS

Arkansas Auto Auction. Fleet & lease car & truck disposal. Member of NAAA. Don Vowell, (501) 982-0591, Jacksonville, AR. Tuesday is sale day.

AUCTION SCHOOL

Be An Auctioneer—Write for information. Mendenhall School of Auctioneering, U.S. Hwy. 29-70 (I-85) High Point, N. C. 27263.

WASHINGTON

Bob McConkey & Sons. So. Seattle Auto Auction, the Lease Specialist. 206-872-6800, P.O. Box 5189, Kent, WA 98031.

COLORADO

Denver Auto Auction, 4285 South Santa Fe, Englewood, Colorado 80110. Sale every Friday, 303-761-1410, 303-761-1459.

ILLINOIS

Greater Chicago Auto Auction. Every Thursday—1 P.M. Sharp. 800—1,000 cars & trucks. 312-597-3600.

OHIO

Wednesday Auto Auction. Exit 49 on I-270, Columbus, Ohio. Every Wednesday. Call: Area 614-497-2000.

OHIO

Ohio Auto Auction. The Tuesday sale. 3905 Jackson Pike, Columbus, Ohio 614-871-2771.

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AUTOMOTIVE NEWS CLASSIFIED ADS PRODUCE EXCELLENT RESULTS

Year's total edges past 4.5 million

Auto output holds steady at 108,274

By Patricia Hoffman
Staff Writer

There was little change in domestic auto production last week as output rose just a fraction above that of the previous week.

The auto makers planned 108,274 units, a slight gain from the 107,454 assembled a week earlier, and up 5.16 percent from 102,963 units completed in the comparable 1980 week.

Breakdown for the week by company is: General Motors, 56.11 percent; Ford Motor, 24.81 percent; Chrysler Corp., 13.02 percent; Volkswagen of America, 3.13 percent; American Motors, 2.91 percent and Checker Motors, 0.02 percent.

So far this year, the makers have assembled 4,500,830 units, up 7.63 percent from 4,181,579 cars built in the comparable period last year.

Chrysler's St. Louis assembly point began its pre-production phase last week on the new front-wheel-drive Chrysler LeBaron and Dodge 400. There is no date as yet for the full production startup. The point went down for model changeover July 31.

Chrysler's Newark point, down for changeover since Aug. 3, resumed production last week.

GM's Framingham, Doraville, Fremont, Van Nuys, Leeds and Janesville plants all remained down last week for model changeover.

VWoA's Westmoreland assembly plant began downtime last Friday (Aug. 28) for model changeover. The point is slated to resume operations Sept. 21.

Ford Motor's Dearborn car assembly point will be idle for one week beginning today for inventory adjustments.

Daily overtime is scheduled this week at Ford's Wayne and Metuchen facilities. The plants will work two 10-hour shifts each day this week.

Truck production declines 35 pct.; week totals 15,404

With several truck assembly points idle for 1982 model changeover and inventory adjustments, U. S. truck production last week fell substantially below the previous week's output. The total, however, remained above the comparable 1980 figure.

Last week, truck production was slated at 15,404 units, down 35.52 percent from 23,889 units completed in the previous week, but a gain of 23.59 percent from 12,464 trucks in the comparable week last year.

So far this year, the truck manufacturers have assembled 1,136,169 trucks, up 12.70 percent from 1,008,137 completed in the same period in 1980.

General Motors' Janesville and St. Louis assembly points remained idle last week for model changeover. Both facilities, down since July 24, are scheduled to resume operations today (Aug. 31).

Chrysler's Warren truck facility, down for inventory adjustment last week (Aug. 24) is slated to resume today.

Volkswagen of America's Westmoreland assembly point scheduled downtime beginning last Friday (Aug. 28), with operations slated to resume Sept. 21.

GM announced that it won't recall the second shift of 1,200 employes at its North St. Louis assembly plant. The plant, which assembles half-ton pickups, employed about 2,600 workers before shutting down July 31 for inventory adjustments. GM said, however, that there is a possibility that the second line might be recalled if consumer demand picks up later on.

Ford Motor's Norfolk and Twin Cities truck assembly points will continue downtime this week for model changeover. The plants went down Aug. 24.

Hanosh new president of New Mexico dealers

LAS CRUCES, N. M.—George Hanosh, Hanosh Chevrolet Co., Grants, N. M., was installed as president of the New Mexico Automotive Dealers Assn. at the state convention here.

Other officers installed were Vice President John Chandler, Frontier Ford, Albuquerque; Treasurer C. L. Hunter, Hunter Motor Co., Espanola, and Secretary Henderson Baker, Baker Volkswagen, Las Cruces.

TRUCK PRODUCTION IN U. S.†

	Week Ended Aug. 29, 1981	Week Ended Aug. 30, 1980	Week Ended Aug. 22, 1981	Aug. to Date	Jan. 1 to Aug. 30, 1980	Jan. 1 to Aug. 29, 1981
CHEVROLET	2,010	362	45	4,553	295,669	336,408
DODGE/PLYMOUTH	.....	2,000	2,168	7,208	88,575	65,134
FORD	5,412	3,542	15,525	38,461	355,024	420,029
GMC	2,071	788	157	5,061	104,937	118,242
INTERNATIONAL	1,615	2,115	1,559	6,418	41,144	49,895
MACK	.....	340	.....	.....	16,060	.....
JEEP	2,000*	1,905*	2,000*	8,000*	53,390*	68,188*
AMC CORP.	50*	238*	50*	200*	6,289*	2,786*
VOLKSWAGEN	846	546	985	3,714	20,196	30,967
MISCELLANEOUS	1,400*	628*	1,400*	5,600*	26,853*	44,520*
Total Trucks, U. S.	15,404	12,464	23,889	79,215	1,008,137	1,136,169

CANADIAN TRUCK PRODUCTION

	Week Ended Aug. 29, 1981	Week Ended Aug. 30, 1980	Week Ended Aug. 22, 1981	Aug. to Date	Jan. 1 to Aug. 30, 1980	Jan. 1 to Aug. 29, 1981
CHRYSLER CORP.	2,368	1,600	2,439	9,065	29,381	55,330
FORD MOTOR	2,532	3,660	2,778	8,437	119,935	98,828
GENERAL MOTORS	5,470	5,324	4,003	11,294	162,319	185,626
AMERICAN MOTORS	.....	.....	.....	.....	11,644	.....
INTERNATIONAL	260	475	263	997	11,212	7,662
MACK	.....	32	.....	.....	1,503	.....
Total Trucks, Canada	10,630	11,091	9,483	29,793	335,994	347,446
N. American Trucks	26,034	23,555	33,372	109,008	1,344,131	1,483,615

†—Now includes window van production. *—Estimated.
Jeep includes commercial vehicles only. AM General includes government-destined vehicles.
AM General will no longer be figured in with North American trucks.

Canadian output rises 13 pct. to 13,939 for week

Canadian auto production last week was above the previous week's total, and output also topped that of the comparable 1980 week.

Last week's auto production was slated at 13,939 units, up 13.89 percent from 12,239 completed in the previous week, and up 2.89 percent from the 13,547 cars in the comparable week last year.

Year-to-date output for the auto manufacturers was 562,574 units, up 2.97 percent from 546,361 in the comparable period last year.

Truck production last week also showed improvement from the previous week's total as General Motors' Scarborough assembly point completed its first full week of assembly since its August 18 return from model changeover.

The makers estimated 10,630 units last week, up 12.10 percent from 9,483 trucks completed the previous week, but down 4.16 percent from 11,091 in the comparable 1980 week.

So far this year, the truck manufacturers have assembled 347,446 units, a gain of 3.41 percent from 335,994 in the comparable period last year.

GM's Oshawa (No. 2) car assembly point remained idle last week for 1982 model changeover to front-wheel-drive cars. The plant, down since Aug. 6, is scheduled to resume operations Nov. 9.

Also at GM, the Oshawa (No. 1) car point, idle for changeover since July 16, is slated to return today (Aug. 31).

Volvo's Halifax plant returned last week after being down for changeover since Aug. 3.

Ford Motor's St. Thomas assembly point has scheduled downtime beginning today (Aug. 31). The plant, which will be down for model changeover, is slated to resume Sept. 28.

COLA is rising 21 cents an hour at GM and Ford

DETROIT. — UAW members at General Motors and Ford Motor Co. will have their cost-of-living adjustment raised 21 cents to $1.79 per hour effective the week of Sept. 7.

The increase affects 385,000 hourly employes at GM and 126,000 at Ford plus salaried workers covered under the two contracts. The salaried workers will receive a quarterly payment of $930.80 on Dec. 15 for the September-November period.

Workers at Chrysler Corp. gave up their COLA payments in the last round of bargaining to enable the auto maker to qualify for federal loan guarantees. That COLA suspension gives Chrysler an average $2.07 hourly labor cost advantage over Ford and GM.

U. S. CAR PRODUCTION

	Week Ended Aug. 29, 1981	Week Ended Aug. 30, 1980	Week Ended Aug. 22, 1981	Aug. to Date	Jan. 1 to Aug. 30, 1980	Jan. 1 to Aug. 29, 1981
AMERICAN MOTORS	3,150*	3,571*	3,150*	12,600*	114,021*	89,575*
AMX	.....	.....	.....	.....	.....	.....
Spirit	.....	.....	.....	.....	.....	.....
Concord	.....	.....	.....	.....	.....	.....
Eagle	.....	.....	.....	.....	.....	.....
Pacer	.....	.....	.....	.....	.....	.....
CHRYSLER CORP.	14,100	9,700	10,532	35,949	388,722	542,119
Plymouth Total	7,600	4,300	5,904	18,930	176,950	281,281
Horizon	3,400	3,350	3,276	10,087	105,849	109,390
Reliant	4,200	850	2,628	8,843	1,629	162,304
Volare	.....	.....	.....	.....	51,740	.....
Caravelle	.....	100	.....	.....	4,421	2,139
Gran Fury	.....	.....	.....	.....	13,311	7,448
Chrysler Total	.....	1,200	.....	.....	51,943	22,098
LeBaron	.....	1,200	.....	.....	40,427	17,236
Chrysler	.....	.....	.....	.....	11,516	4,862
Dodge Total	6,500	4,200	4,628	17,019	159,829	238,740
Omni	2,500	2,750	2,500	8,933	90,989	94,114
Aspen	.....	.....	.....	.....	36,899	.....
Aries	4,000	750	2,128	8,086	1,493	128,300
Diplomat	.....	700	.....	.....	19,724	12,644
St. Regis	.....	.....	.....	.....	10,724	13,682
FORD MOTOR	26,866	20,106	31,864	93,404	803,437	931,211
Ford Division	17,844	13,501	21,592	62,991	584,788	635,502
Escort	7,937	2,026	7,941	25,776	3,468	239,144
Pinto	.....	.....	.....	.....	68,179	.....
Fairmont	619	2,551	3,587	7,878	157,107	130,050
Must./Must. II	4,333	5,459	4,210	15,463	162,687	116,747
Granada	3,253	1,785	3,759	7,902	54,030	60,070
Thunderbird	1,702	.....	2,095	6,002	79,632	48,605
Ford	.....	1,680	.....	.....	59,685	40,886
L-M Division	9,022	6,605	10,272	30,413	218,649	295,709
Mercury Total	8,069	4,973	9,205	27,579	192,742	256,578
Bobcat	.....	.....	.....	.....	12,445	.....
Lynx	3,015	618	3,043	9,757	1,053	83,862
Capri	1,094	1,606	1,169	4,213	47,900	39,849
Zephyr	136	891	1,046	2,160	51,020	39,478
Cougar/Monarch	1,600	.....	1,472	3,428	16,409	30,122
XR-7	929	570	1,170	3,159	29,129	22,010
Mercury	1,129	1,288	1,305	5,044	34,786	41,257
Lincoln Total	953	1,632	1,067	2,834	25,907	39,131
Continental ('82)	136	.....	247	383	.....	383
Lincoln	405	742	417	1,196	10,548	18,895
Mark VI	412	890	403	1,255	13,498	19,853
Versailles	.....	.....	.....	.....	1,861	.....
GENERAL MOTORS	60,749	65,677	58,105	228,036	2,730,817	2,814,702
Buick Division	13,898	11,253	14,537	62,613	524,654	610,334
Skylark	3,818	3,842	5,785	22,016	150,809	185,590
Skyhawk J	.....	.....	.....	.....	.....	.....
Century	.....	2,116	.....	.....	112,507	86,881
Regal	5,790	2,162	5,531	26,425	135,120	179,915
Buick	3,800	2,545	3,149	13,610	97,738	111,595
Riviera	490	588	72	562	28,480	46,353
Cadillac Division	1,637	3,091	1,117	5,027	129,087	176,455
Cimarron	1,000	.....	1,006	4,279	.....	13,256
Seville	206	615	25	231	21,997	16,147
Eldorado	431	833	86	517	34,274	40,591
Cadillac	.....	1,643	.....	.....	72,816	106,461
Chevrolet Division	23,455	28,624	22,135	91,570	1,170,849	1,053,229
Chevette	7,415	8,000	7,215	28,031	315,717	240,769
Cavalier	4,955	.....	3,977	17,907	.....	63,318
Monza ('80)	.....	2,990	.....	.....	115,246	.....
Camaro	.....	1,869	.....	.....	82,498	87,694
Citation	4,985	8,205	5,805	21,311	313,916	249,414
Malibu	2,765	1,911	2,569	6,829	170,597	169,623
Monte Carlo	2,735	2,469	2,214	5,894	63,920	98,170
Chevrolet	.....	2,400	.....	9,485	79,191	122,590
Corvette	600	780	355	2,113	29,764	21,651
Oldsmobile Division	11,040	12,203	11,044	32,750	516,701	606,761
Omega	779	4,364	3,712	10,819	81,962	108,704
Cutlass	4,800	2,895	4,650	12,377	260,221	284,828
Oldsmobile	5,160	4,561	2,629	9,200	149,019	183,128
Toronado	301	383	53	354	25,499	30,101
Pontiac Division	10,719	10,506	9,272	36,076	389,526	367,923
Acadian†	250	120	249	1,086	14,809	14,966
J2000	3,040	.....	2,976	12,738	.....	45,653
Sunbird ('80)	.....	3,486	.....	.....	103,898	.....
T1000	2,314	.....	2,537	9,200	.....	57,292
Firebird	.....	1,347	.....	.....	53,614	43,468
Phoenix	1,835	1,060	1,877	7,683	96,962	80,199
Grand Prix	1,640	2,350	563	2,203	41,965	71,430
LeMans	.....	1,345	.....	.....	38,316	42,027
Pontiac	.....	798	.....	342	39,962	10,064
Bonneville G ('82)	1,640	.....	1,070	2,824	.....	2,824
VOLKSWAGEN	3,384	3,822	3,778	11,251	142,665	121,732
CHECKER	25*	87*	25*	100*	1,917	1,494*
Total Cars, U. S.	108,274	102,963	107,454	381,340	4,181,579	4,500,830

CANADIAN CAR PRODUCTION

	Week Ended Aug. 29, 1981	Week Ended Aug. 30, 1980	Week Ended Aug. 22, 1981	Aug. to Date	Jan. 1 to Aug. 30, 1980	Jan. 1 to Aug. 29, 1981
AMERICAN MOTORS	852	.....	708	1,560	.....	22,339
CHRYSLER CORP.	3,000	2,320	2,229	6,805	45,165	36,737
FORD MOTOR	6,320	6,196	6,517	20,826	172,304	155,214
GENERAL MOTORS	3,600	4,806	2,785	9,571	322,289	341,562
VOLVO	167	225	.....	167	6,603	6,722
Total Cars, Canada	13,939	13,547	12,239	38,929	546,361	562,574
N. American Cars	122,213	116,510	119,693	420,269	4,727,940	5,063,404
N. American Trucks	26,034	23,555	33,372	109,008	1,344,131	1,483,615
North American Cars and Trucks	148,247	140,065	153,065	529,277	6,072,071	6,547,019

†—All Acadians and Caravelles are built for sale in Canada. *—Estimated.

Idaho dealers elect Orvick, Crnkovich

McCALL, Id.—Wally Orvick, of Wally Orvik Motors, Moscow, Id., was elected president of the Idaho Automobile Dealers Assn. at the annual convention here.

Larry Crnkovich, of 20th Century Motors, Blackfoot, was elected vice president.

C2700-1

Automotive News

Detroit, September 7, 1981

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New FWD 'family sedans' will shrink to compact size; X-cars may be X'd out

GM plots drastic big-car overhaul by 1985

By Paul Lienert
Contributing Editor

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General Motors will drop its full-size family cars by 1985 and may kill the popular X-cars as well, according to plans sketched out last week for AUTOMOTIVE NEWS by industry sources.

A new series of front-wheel-drive family sedans is now scheduled to appear in the 1985 model year to replace the present full-size models. While some will carry current big-car nameplates like Caprice and Bonneville, they'll be no larger than today's compact cars.

A new line of luxury sedans also bows in '85, replacing the Cadillac, Oldsmobile and Buick C-cars. The new front-drive models, like the smaller family sedans, will be based substantially on the compact X-car.

Insiders indicate an all-new Chevrolet Caprice in '85 will be about the same size as the current Chevy Citation, while the new Cadillac deVille in '85 will be only slightly larger than the X-car.

In addition, GM still plans to introduce smaller two-door specialty and luxury models based on the subcompact J-car in 1984½.

The front-drive replacements for the Monte Carlo (G-car) and its sister models, as well as the

See chart on dimensions, Page 50

new Eldorado (E-car) and its companion cars, will be only marginally larger than the Chevy Cavalier, sources say.

The restructuring of its new-model program for 1983-85 will probably save GM several billion dollars, while providing it with new products that will be small enough to compete on equal footing with similar models planned by the major import powers.

It also spells the death of the big car at GM, as Americans know it today.

A GM spokesman did not deny reports that the company will drastically reduce the size of its largest cars by 1985, but said, "We're going to have very comfortable six-passenger vehicles then."

He added, "The whole matter of how you designate a car — whether it's 'full-size' or whatever—is changing. Fuel efficiency and interior dimensions are what we're looking at."

In response to the report that GM might drop the present X-car line in '85, the spokesman said, "We just aren't going to talk about product programs that are that far out."

GM is expected to lock up its '85 model programs within the next 12 to 18 months. The final decision on whether to drop the X-car may not be made until 1983.

With a new line of front-drive A-cars scheduled to debut early in 1982, using the basic platform of the X-cars, GM will be crowding six or seven car lines by 1985 into what are now considered the compact and subcompact segments of the market. Basic underbody components will differ little from car line to car line, and there will be only about a six-inch spread in wheelbases, according to current plans at GM.

Although GM officials would not confirm any plans to dispose of the X-car in 1985-86, the eventual demise of the popular front-drive compact series would still leave the corporation with a substantial array of small, fuel-efficient front-drive products in the mid '80s, ranging from the high-volume J-cars on a wheelbase of 101.2 inches to the luxury sedans that will replace the C-cars on a wheelbase of about 107.5 inches

"What it means is that Detroit won't have any more 'compacts,' 'intermediates' or 'full-size' cars in '85, just 'big' and 'small,'" was the way one source described the impending changes at GM. Similar moves to shrink and consolidate car lines are under way at Ford and Chrysler.

Chrysler will base most of its future U. S. car lines on just two front-drive platforms, while Ford is planning to build its

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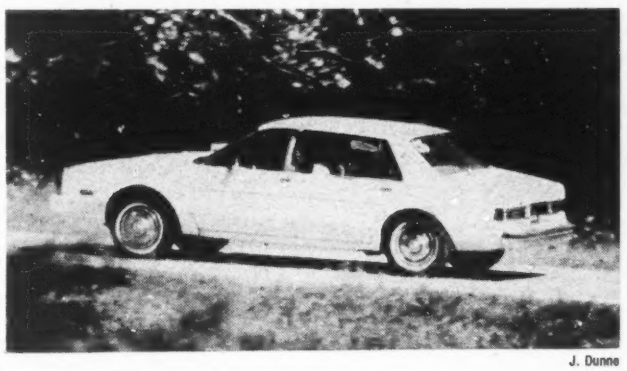
GM's new family sedan

'Full-size' prototype undergoes testing

Captured on GM's Michigan test track is this early prototype of what is believed to be new rear-drive sedan that will replace present B-body models (Caprice, LeSabre, Delta 88) in '83. Platform is to be shared with G-body intermediates. Smaller front-drive replacements for GM's 'family sedans,' based on present X-car line, are scheduled for '85. Larger C-body replacements will be built on stretched X-car platform, sources say.



J. Dunne

Administration preps own Clean Air Bill

By Helen Kahn and Jake Kelderman
of our Washington Bureau

WASHINGTON. — The Reagan Administration, which only a month ago, announced it would not have a Clean Air Bill of its own but would work with Congress instead to amend the pivotal environmental law, would appear to be reneging on its word.

A copy of a complete bill the Administration has ready for Congressional consideration dated Aug. 20 has been obtained by AUTOMOTIVE NEWS.

The measure is largely unchanged from a draft bill leaked to Rep. Henry Waxman, the California Democrat and chairman of the House Energy and Commerco's Health subcommittee, at least on automotive issues except that it calls for a 2-grams-per-mile NOx standard instead of the 1.5-gram standard espoused in the earlier document.

The Administration caught a tremendous amount of flack earlier, when the draft of its Clean Air bill leaked out, with critics calling it a "blueprint" for the gutting of the legislation.

Subsequently, the Administration backed off introducing any kind of measure, opting instead for working with Congress on developing amendments to the act under 10 guiding principles enunciated by EPA administrator Anne Gorsuch at an Aug. 5 press conference.

• "Working with the key Congressional leaders, we are confident that specific legislation based on these principles can be drafted which will ensure we choose the most effective means to maintain continued

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breaking news

Chrysler elects three directors

DETROIT.—Chrysler Corp. has elected three new directors. Two are Chrysler executives, and the third is an outsider. The company officials are John B. Naughton, 59, executive vice president, sales and marketing, and Stephan Sharf, 60, executive vice president, manufacturing. The outside director is J. Paul Sticht, 63, chairman and chief executive of R. J. Reynolds Industries, Inc., Winston-Salem, N. C.

Fuji unveils 550-cc Subaru Rex

TOKYO.—Fuji Heavy Industries has introduced a new minicar, a 550-cc Subaru Rex. The company is believed to be in the final stages of developing a new 1,000-cc minicar and has apparently turned down an invitation from Nissan for joint development of such a car.

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But rate of growth slows down

Service Index posts volume gain

By Francis J. Gawronski
Service Editor

Although the rate of growth of service and parts business conducted in the nation's new-car dealerships in July slipped below the level achieved the previous month, the volume still managed to register the second biggest advance of the year.

According to the Automotive News Service Index, shop volume in July amounted to 109.8 percent of the business done in July, 1980. In June, there was a gain of 16.6 percent over the volume recorded in the corresponding month a year earlier for the biggest increase in 30 months.

July also marked the fifth consecutive month in which service and parts business in new-car dealerships has shown an increase over the comparable

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year-earlier figure. The streak is the longest since June, 1979, when a 57-month string of monthly gains was broken.

In July, four of the five indicators used in the Service Index scored good gains. The only indicator to register a decline was repair orders written, down 4.7 percent.

The biggest increase was recorded by gross profit on all labor, parts and P&A sales—the most import indicator from the dealers' viewpoint—up 16.6 percent.

In the runnerup spot in July was sales of all parts and accessories with an increase of 14.6 percent over the year-ago figure. Shop parts sales (those used on customer-paid and warranty repairs) were up 10.2 percent, while total labor sales (customer-paid and warranty) in-

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